

## **Minutes Finance and Effective Infrastructure Council Committee December 7, 2012**

Minutes of the Finance and Effective Infrastructure Committee meeting held on Friday, December 7, 2012, at 10:00 a.m., in the 3<sup>rd</sup> Floor Executive Conference Room, Tempe City Hall, 31 E. 5<sup>th</sup> Street, Tempe, Arizona.

### **Committee Members Present:**

Vice Mayor Onnie Shekerjian  
Councilmember Corey Woods

### **City Staff Present:**

Charlie Meyer, City Manager  
Judi Baumann, Deputy City Attorney  
Brenda Buren, Assistant Police Chief  
Renie Broderick, Human Resources Director  
Grace Kelly, Energy Management Coordinator  
Various City Staff Members

Brigitta Kuiper, City Clerk  
Ken Jones, Finance and Technology Director  
Don Bessler, Public Works Director  
Jon O'Connor, Deputy Human Resources Director  
Amanda Nelson, Public Information Officer

### **Councilmember Woods called the meeting to order at 10:04 a.m.**

He asked meeting participants to introduce themselves.

### **Agenda Item 1 – Public Appearances**

None.

### **Agenda Item 2 – Review Meeting Minutes of: October 19 and November 20, 2012**

The meeting minutes from October 19, 2012 and November 20, 2012 were accepted.

### **Agenda Item 3 – Asset Management System**

Ken Jones, Finance and Technology Director, provided an overview of the City's asset management system and explained how the asset management system fits into the Capital Improvement Project (CIP) budgeting process. The system allows City departments to have an asset inventory that includes the useful life and depreciable value; requested budget amounts should be based on real assets and the maintenance and replacement of those assets, not on estimates. Don Bessler, Public Works Director, spoke from the perspective of an operating department that uses the system, and said that the system manages core assets; not included are transit, water, solid waste, or the City's Information Technology (IT) infrastructure. Mr. Jones noted that it is not as easy and straight forward to track some assets, such as changing technologies implemented by third-parties with little or no advance notice.

The Committee and staff discussed the following: the asset management system is currently in use by all departments; the next step of the current CIP budget process is to review departments' asset management plans; the asset management plan is the skeleton of the CIP budget, with the exception of new projects. The Finance department's goal is to make the City Council aware of the status of asset maintenance prior to building something new. Additionally, the Committee and staff discussed previous methods of securing CIP funding; the City Council's priorities, which include maintaining current infrastructure and health and welfare; using the asset management system to grade budget requests and prepare the budget in the green, yellow and red format used in the past; budget cuts to the City's IT department and notifying the public about the City's asset management system.

Based on the Committee's discussion, the asset management item will be removed from future agendas except for an update prior to the City Council beginning in-depth budget discussions. Additionally, the Committee members will work on a joint "My Turn" article regarding the asset management system to be published in March, 2013.

#### **Agenda Item 4 – Evaluations for Council Direct Reports**

Renie Broderick, Human Resources Director, and Jon O'Connor, Deputy Human Resources Director, provided an overview of the evaluation process for the four Council appointees that work under an employment contract – the City Manager, City Attorney, City Clerk and Presiding Municipal Judge. The Presiding Judge has a different process that is set by the State of Arizona. The employment contracts mention the need for satisfactory performance, but the City has never had a formal evaluation process, with most evaluations occurring in Executive Sessions. They summarized the process in other cities, most of which have an informal process in place.

The Committee and staff discussed that the review process does not change the terms of employment, that feedback on performance, both positive and negative, is important, the previous assistance of Ina Wintrich, Arizona State University, School of Public Affairs, with the City Manager's evaluation, the different roles of each of the direct reports and the need for flexibility. Feedback should not be tied to pay increases or employment. The Committee also discussed the City's e-performance system, the difference between a performance "preview" and "review", performance planning and the importance of treating all staff equally with respect to performance planning and reviews.

Based on the Committee's discussion, Human Resources will contact the direct reports to solicit feedback on an appropriate time of year for performance planning sessions, contact Ms. Wintrich to determine her willingness to assist in the review process, and develop a plan to bring to the Committee at the January, 2013 meeting. Following review by the Committee, the plan will be forwarded to the City Council.

#### **Agenda Item 5 – Naming Policy for City Facilities**

The Committee reviewed and discussed the proposed draft procedure for Naming of City Facilities, including the preference for City Council instead of the City Manager to appoint a Review Committee and the revised language concerning procedure, which reads:

*The requesting entity shall deliver the naming request to the City Clerk. The City Clerk shall determine if the naming request is complete, and if so, shall submit the naming request to the Mayor for assignment to the appropriate Board, Commission or Committee. The Board, Commission or Committee so assigned shall review the naming request and report its recommended action to the City Council.*

The Committee and staff continued discussions regarding use of an existing board or commission to address naming, the definition of felony and different classes of felonies, naming after deceased persons and family consent, and the need for the connection between an individual's contribution and the City facility. The Committee determined that for the re-naming section, the language be changed to state that the City Manger "shall" remove the name from a City facility..... and discussed several clarifications. When a new City facility is opened, the City Council may ask the public for input on the facility name.

Based on the Committee's discussion, the naming policy with recommended changes will be scheduled for City Council's consideration at a Formal City Council Meeting.

#### **Agenda Item 6 – Performance Budgeting**

Ken Jones, Finance and Technology Director, explained that a performance budget links the money spent to measurable outcomes. Performance budgeting will allow the City Council to look at how much money is being spent on a specific area and what the measurable outcomes are for that area. Mr. Jones and Charlie Meyer, City Manager, requested the Committee's feedback to determine if the Committee supports moving towards performance budgeting.

The Committee and staff discussed how the information will be made available to City Council for budget discussions, how staff will respond/allocate resources, and examples of measurable outcomes for code enforcement and clean and safe neighborhoods; data from the Citizen Satisfaction Survey should be reviewed.

Based on the discussion, the Committee voiced support for staff to proceed with the performance budget.

### **Agenda Item 7 – Sustainability Update**

Don Bessler, Public Works Director, Grace Kelly, Energy Management Coordinator, and Amanda Nelson, Public Information Officer, provided an update on the City's sustainability efforts. Ms. Kelly has four specific responsibilities, including: working across City departmental boundaries to create a culture of conversation, working on energy performance contracts, researching new technologies, and working on financing mechanisms, such as grants or energy power agreements. Ms. Kelly and Ms. Nelson provided an overview of the five specific areas of the City's sustainability programs: water conservation, transportation and air quality, solid waste and recycling, energy efficiency, and land use in a built environment.

The Committee and staff discussed the possibility of composting shredded paper, Tempe's 20<sup>th</sup> anniversary of recycling and staff's efforts to celebrate the anniversary, updating the City's sustainability brochure, and staff working directly with the Committee on efforts such as the Tempe Grease Cooperative. The Committee and staff also discussed a communications and media plan and developing future goals which can be taken to a City Council Strategy Session meeting as ongoing goals. Committee members are willing to assist staff with regional efforts, if needed.

Based on the Committee's discussion, staff will follow up regarding composting shredded documents, will begin to identify important elements and priorities for Committee discussion and will return to the Committee with the previously-developed sustainable Tempe community strategy as a basis for developing a media outreach plan.

### **Agenda Item 8 – Technology Overview**

Ken Jones, Finance and Technology Director, and Dave Heck, Deputy Finance and Technology Director – Information Technology, provided an overview on the City's Information Technology (IT) division. The IT Division is beginning to measure and record the time dedicated to each system, allowing staff to know when a system is nearing the time for replacement. Current projects include: a regional operable radio network; the Tempe 311 system, which involves integrating technology systems; and community broadband initiatives to bring high speed networks into Tempe. Mr. Heck also discussed technological equipment on streetlights that the City was awarded in a lawsuit, but has remained dormant.

The Committee and staff discussed the siting of cell towers and antennas to provide a higher speed network and researching potential health risks associated with the technology. The Committee, Don Bessler, Public Works Director, and Lisa Collins, Interim Community Development Director, provided additional information related to the location of cell towers and IT infrastructure in the general planning and permitting process, as well as in the General Plan 2040.

The Committee requested updates on IT infrastructure as part of the General Plan 2040 process and also on Tempe's 311 system.

### **Agenda Item 9 – Tying Economic Development with the Long Term Financial Plan**

This item was continued to the January 11, 2013 Committee meeting.

### **Agenda Item 10 – Future Agenda Items**

- Asset Management System (prior to City Council budget meetings)
- Evaluations for City Council Direct Reports
- Sustainability Updates
- Technology Overview

### **Agenda Item 11 – Future Meeting Date: January 11, 2013**

### **Agenda Item 12 – Announcements**

Vice Mayor Shekerjian wished Councilmember Woods a happy birthday.

Steven Methvin, Mayor and Council Chief of Staff, announced that Parrish Spisz, City Council Aide, will be assigned to this Committee in the future.

**The meeting adjourned at 11:50 a.m.**

*Meeting minutes reviewed by: Parrish Spisz, City Council Aide*

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Brigitta M. Kuiper, City Clerk